

Menands Union Free School District



May 9, 2011

Budget Hearing



Purpose...

- Overview of the proposed school district budget for 2011-2012
- Preview of budget challenges for 2012-2013



Commitments...

- Commitment to providing the highest quality education possible at a realistic cost to the taxpayers
- Current commitment to the longevity of the school district
- Commitment to achieving higher outcomes for our students at a time of diminishing resources – working smarter, more effectively, more efficiently

Proposed 2011-2012 Budget

Description	2010-2011 Adopted Budget	2011-2012 Proposed Budget	Difference
Expenditures	\$7,579,968	\$7,552,806	(-\$27,162) or -0.36%

What does the proposed budget include?

- Maintains all current educational programs
- Allows for increases in high school tuition payments
- Addresses all employee contractual obligations
- Accounts for significant increases in district contributions to ERS and TRS
- Accounts for increased costs for employee health insurance
- No staff layoffs or reductions from full to part-time

Component Budget

<u>Category</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>Inc/(Dec)</u>
Admin.	\$790,877	\$799,553	\$8,676 +1.10%
Program	\$5,954,907	\$5,960,213	\$5,306 +0.09%
Capital	\$834,184	\$793,040	(-\$41,144) (-4.93%)
Total	\$7,579,968	\$7,552,806	(\$27,162) (-0.36%)

Administrative Component

Description	2010-2011 Budget	2011-2012 Proposed Budget	% Increase or (Decrease)
Board of Education	\$2,200	\$3,660	66.36%
District Clerk and Meeting	\$ 11,407	\$11,857	3.94%
Chief School Administrator Office	\$212,115	\$212,350	0.11%
Business Office	\$159,495	\$165,121	3.53%
Auditing and Legal	\$40,500	\$40,500	0.00%
Printing and Records Mngnt.	\$8,200	\$8,680	5.85%
Insurance & Assoc. Dues	\$5,700	\$5,900	3.51%
BOCES Administrative Costs	\$34,036	\$34,500	1.36%
Unclassified	\$30,000	\$30,000	0.00%
Curriculum Development	\$9,988	\$9,988	0.00%
Supervision Regular School	\$88,779	\$92,450	4.13%
Research and Planning	\$9,000	\$8,500	-5.56%
Employee Benefits	\$179,457	\$176,047	-1.90%
TOTAL ADMINISTRATIVE	\$790,877	\$799,553	1.10%

05-06-2011

Program Component

Description	2010-2011 Budget	2011-2012 Proposed Budget	% Increase or (Decrease)
Inservice Training and Instruction	\$500	\$500	0.00%
Teaching Regular School	\$3,182,493	\$3,158,834	(-0.74%)
Programs for Students w. disabilities	\$824,012	\$834,536	1.28%
School Library and Audio Visual	\$57,622	\$60,680	5.31%
Computer Assisted Instruction	\$116,701	\$107,933	(-7.51%)
Guidance Regular School	\$47,250	\$50,000	5.82%
Health Services	\$59,800	\$60,887	1.82%
Co-Curricular Activities	\$26,000	\$35,000	34.62%
Interscholastic Activities	\$7,300	\$8,500	16.44%
District Transportation	\$14,425	\$15,000	3.99%
Contract Transportation	\$658,210	\$660,000	0.27%
Public Transportation and Youth Programs	\$6,257	\$7,400	18.27%
Employee Benefits	\$871,812	\$910,943	4.49%
Inter Fund Transfers	\$82,525	\$50,000	(-39.41%)
TOTAL PROGRAM COMPONENT	\$5,954,907	\$5,960,213	0.09%

Capital Component

Description	2010-2011 Budget	2011-2012 Proposed Budget	% Increase or (Decrease)
Operation of Plant	\$260,373	\$274,020	5.24%
Maintenance of Plant	\$38,509	\$41,500	7.77%
Debt Service	\$477,853	\$414,253	(-86.76%)
Employee Benefits	\$57,449	\$63,267	10.13%
TOTAL CAPITAL COMPONENT	\$834,184	\$793,040	(-4.93%)

Revenues...

Description	2010-2011	2011-2012	Increase/Decrease	Changes
Local Revenues	\$71,150	\$39,150	(-\$32,000) or (-4.98%)	Lower interest rates on investments – Refund Prior year BOCES Aide decreasing
State and Federal Sources	\$688,098	\$660,000	(-\$28,098) or (-4.08%)	Formula Driven Aides still based on 08-09 data. Status Quo at best moving forward
Contribution from Fund Balance	\$975,000	\$825,000	(-\$150,000) or (-15.38%)	Keeping in line with 5 year plan to minimize Colonie taxing changes and its effect on the tax payer
Tax Levy	\$5,845,720	\$6,028,656	\$182,360 or 3.13%	
Total Revenues Must equal Expenses	\$7,579,968	\$7,552,806	(-\$27,162) or (-0.36%)	

Impact on Tax Levy

2010-2011 Tax Levy	2011-2012 Current Assumptions	Difference	Percent Difference
\$5,845,720	\$6,028,656	\$182,360	3.13%

Average tax rate
3.13%

- Assumptions: Equalization Rate and Assessments



What happens if the budget does not pass?

- What happens if the voters do not approve the 2011-2012 spending plan on May 17th 2011?
 - We can put up the same budget for a re-vote
 - We can put up an amended budget for a vote
 - We can go right to a contingency budget



What is a contingency budget?

- State Education law limits a contingency budget to the lesser spending increase of 120% of CPI or 4%. The contingency cap for the 2011-2012 school year is 1.92%.
- The spending plan that we are proposing is currently “less” than the cap for a contingency budget.
- However, other constraints are imposed in the development of a contingency budget.
- Most equipment would not be considered an ordinary contingent expense and would be removed.
- the use of the building cannot result in an increased expense to the District, and could result in having to charge outside groups a building use fee to cover custodial fees etc in a contingent budget.

Recent Budget Challenges

- Continued decreases in state aid
- Limited interest income
- Increasing costs
- Change in Town of Colonie taxing structure from a two tiered rate system to a single tier – *major implications!*
- “De facto tax cap” and needing to pass the budget
- Increasing enrollment at Menands School

How is the district meeting these challenges...

- Long range planning - using the fund balance to offset the impact of the Town of Colonie's change in taxation
- Increasing operational efficiency, including...
 - More careful use of federal grant money
 - More careful filing for various state aids
 - Rebidding for contracts and services whenever possible (i.e. lawn mowing and snow plowing, etc)
 - Program adjustments (i.e. the Alpha program, special ed/AIS reconfiguration, food services improvements, etc)
 - Reducing personnel costs through attrition to avoid hurting current staff when possible
 - Retirement of TA – alternative personnel source for 2011-2012
 - Reduction in materials and supplies across the board for 2011-2012



Planning Ahead....Moving from 2011-2012 to 2012-2013...

Additional budget challenges

- Probable tax cap of 2%
- If all of our revenues stay the same,we estimate shortfall of **\$110,427**
- This budget gap will need to be closed



How can all of us help?

- Get family and friends to vote on school budgets on Tuesday, May 17th
- Continue efforts to maintain/reduce costs
- Identify and investigate additional cost savings measures
- Understand the need for operational efficiencies